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CONSPIRACY OF HOPELESSNESS

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On a humid morning in May, 1984, two dozen anxious reporters from seven countries were on their way from Costa Rica to a press conference called by contra leader Eden Pastora at his guerrilla base camp, in La Penca, Nicaragua.

For weeks before the hastily called press conference, Pastora had been feuding bitterly with the CIA over their insistence that he unite with the Honduras-based Nicaraguan Democratic Force (FDN), the largest contra faction fighting to overthrow the ruling Sandinista government. Pastora refused to align with the FDN because its leadership was comprised mostly of former members of the Nicaraguan National Guard, who were still despised by most Nicaraguans because of their brutality during the reign of the dictator, Anastasio Somoza.

Among the group of journalists was a newcomer to Costa Rica, who called himself Per Anker Hansen and carried an oversized camera bag. Several weeks earlier Hansen told Swedish broadcaster Peter Torbiornsson that he was a fledgling freelancer from Denmark trying to get an interview with Pastora.

At the jungle camp, as the reporters clamored for answers, Hansen placed his aluminum "camera box" on the floor near Pastora,snapped a few photos, and slowly backed away.

Suddenly the camera case exploded and a huge bolt of blue light filled the room. When the screams of men and women faded, three journalists and five contra guerrillas lay dead or dying and 18 others were wounded. Pastora survived, but the incident marked the end of his career as the leader of the contras' southern front. Also wounded was American journalist Tony Avirgan, whose partner and wife, Martha Honey, began to investigate the bombing.

When it was disclosed in early 1984 that CIA divers had placed mines in Nicaragua's main port and that a CIA assassination manual had been translated into Spanish and distributed to the guerrillas, an enraged Congress banned all further aid to the contras.

To circumvent the restrictions imposed by Congress, Ronald Reagan's National Security Advisor Robert McFarlane put an obscure aide on the staff of the National Security Council in charge of providing covert aid to the counterrevolutionaries. Lt. Colonel Oliver North worked feverishly in the basement of the White House constructing a covert arms network.

With a bit of savvy the bright-eyed, born-again colonel merged his terrorist program with "Project Democracy," a wide-ranging program introduced several years earlier with great fanfare by President Reagan to "foster the fragile flower of democracy" and inspire democratic institutions worldwide.

The covert network involved current and former CIA and U.S. military officials, and arms merchants who set up corporate fronts and secret offshore bank accounts to finance and supply the Nicaraguan contras and a series of other right-wing armies fighting around the globe.

A key figure in the network was George Morales, one of the biggest drug dealers in South America. Before his conviction in 1986 for cocaine trafficking and income tax evasion, the stocky, dapper, 38-year-old Colombian owned a fleet of planes, was a world champion speedboat racer, and was a contributor to presidential campaigns from Panama to Mexico.

In 1984, Morales cut a deal with the CIA. To avoid getting caught arming the contras during the congressional ban on such aid, the CIA turned to drug smugglers like Morales who had their own planes and pilots with which to fly weapons to the guerrillas. In exchange, the CIA opened up hidden airstrips in northern Costa Rica as refueling stops for the smugglers and provided them with information on how to beat the complex radar traps when entering the United States with their illegal cargo.

According to a source involved with a congressional investigation into contra drug smuggling, who spoke to us on the condition we didn't name him, Morales "realized the strategic importance of the northern Costa Rican airports for his business" and developed an independent relationship with the contra southern front.

"He used the network for his own good and the network used his financial capabilities to help them. Many of the contra leaders in Costa Rica would come to Miami and meet with Morales to discuss shipments with him," said the source. When the CIA officials found out, "They told him that they appreciated what he was doing and then sanctioned it. He dealt with people in the agency in Costa Rica, and he dealt with them on a first-name basis. He can reel off their names. People you and I wouldn't know."

"I was supplying aircraft and pilots, and other financial support," Morales told SPIN. "We were flying from Florida to Ilopango [a military base in El Salvador] and then to Costa Rica. . . . The word came down from Washington about what had to be done."

Morales says he arranged for perhaps as many as 20 weapon shipments to Costa Rica in 1984 and 1985, and with the assistance of the CIA smuggled thousands of kilos of cocaine into the United States.

Morales readily admits that several shipments of weapons to the contras were financed by the sale of cocaine. According to the congressional source, during the time of his "partnership" with the "North network," Morales was funneling $250,000 of drug money quarterly to contra leader Fernando "El Negro" Chamorro. "The word came down that it didn't matter" how you got the money for weapons, said Morales, "as long as they were delivered so you could support the contras to fight the communists." Asked if he ever saw cocaine loaded on the planes alongside the weapons, Morales replied, "If I tell you no, I will probably be lying, if I tell you yes, I will probably be killed."

In 1985, one of Morales's pilots, Gary Betzner, was arrested by drug enforcement agents in Florida after arriving with a large shipment of cocaine and was convicted and sent to jail. Betzner told SPIN he flew two shipments of arms of about 2,000 pounds each from southern Florida to dirt airstrips in northern Costa Rica. "I was nothing more than a pilot. The arms were already on board. I boarded the aircraft, taxied the runway, and left. It was about 11:30 at night. When I arrived the next morning, people were there to meet me and offload the weapons. I then loaded 500 kilos of cocaine onto the aircraft and returned to Lakeland, Florida."

Soon after he joined the contras, Carr became involved in a plot to kill the U.S. Ambassador in Costa Rica.

To carry out the grunt work of private warmaking, collecting and shipping guns, training the contras, and—to fund this secret pipeline—smuggling cocaine into the United States, the "North network" needed foot soldiers. It was into this world of covert operations that Steven Carr stepped in January, 1985, when he arrived at the Howard Johnson's Motor Lodge on Miami's west side.

He was 27, a tall kid, brown hair framing a round, open face of sweet, suburban innocence. "I'm sorry for making myself and you unhappy," Steven Carr wrote to his mother in 1984. "There were many nights I've been high, praying to be arrested, so I could get away from the madness."

The "madness" was, in part, Carr's troubled childhood. His father, Ed Sr., had followed his own rising star at IBM, moving the family from one temporary residence to the next in pursuit of another promotion. When Steven was seven years old his mother, tired of the transient executive life, took her children to settle in Naples. The insecurity caused by his parents' separation haunted Carr.

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Then his older brother Ed returned from Vietnam, bitter. Steven was fascinated by his vivid portrayal of a war where the privates did the dying because the sheltered officers never gave them the latitude they needed to win.

Steven was a strong, sensitive teenager, somewhat on the heavy side, and a bit self-conscious. But he never had any trouble finding friends. Carr did, however, have a great deal of difficulty with his classes at Naples High, and repeated ninth grade three times. His friends recall that he was bright but did not do well in the strict school setting. "Steven was much more interested in experiencing life," said one friend, "than studying it in books. He was anxious to go out and live."

A hidden longing nagged at Steven Carr. He was determined to find a war that he could win—for his brother. And to prove himself. Carr eventually quit school and successively joined the Army, the Navy, and the Merchant Marine. But after five years of bouncing from one service to the next, he had gotten nowhere. Carr moved back to Naples and worked as a carpenter for a while. But he grew restless and became entangled in the Naples underworld.

Carr drifted into working for a local drug lord, travelling between Naples and the backstreets of Miami, stopping at Miami International and Fort Lauderdale-Hollywood airports to pick up shipments of cocaine from Colombia. But Carr's craving for the drug led to his stealing a sizable shipment of it from his boss, who found out and threatened to kill him. Desperate for money, Carr sold his mother's gold jewelry and forged her signature on 17 of her personal checks.

Carr's mother got to the point where she didn't know what to do. Finally, she had her son arrested. He was convicted of grand larceny and spent the next four months in jail, emerging from prison confused and looking for direction. Captivated by a Ronald Reagan speech on TV calling for Americans to support the "freedom fighters in Nicaragua," in which the President said, "I'm a contra, too," Steven Carr decided to join the contras in Central America. Through a friend of the family, a wealthy farmer in Costa Rica, he was introduced to the contra organization in Miami. He was 24 years old and was leaving home with a purpose, for a cause. He finally had a reason for living.

Only a few minutes from the Miami airport, the Howard Johnson's Motor Lodge served as a safehouse for operatives in the "North network" (they received a special contra discount rate of $17 a night) and as a command post for organizing fundraising drives in the Cuban community and for recruiting mercenaries.

From Miami came the weapons and explosives, military trainers, pilots, and cocaine, and the "street smarts" needed to make the North network function. In the early '60s the CIA had assembled a terrorist cadre of political operatives and mobsters in Miami to assassinate the newly triumphant Fidel Castro and invade Cuba. The CIA trained over 2,000 Cuban exiles in terrorist tactics for the failed Bay of Pigs invasion. Twenty years later, after continuing their terrorist acts against "communist" targets in Miami and Cuba, the Bay of Pigs veterans and their younger protégés remained active and ready for whatever task the CIA could conjure.

Carr began his work with the contras by collecting weapons from local Cuban-American contra supporters, but soon he became involved with more complex plotting. One morning in February, 1985, Dade County correctional officer Jesus Garcia stopped by the hotel. A handsome, well-built Vietnam vet, Garcia was deeply involved with the Miami Cuban underground as a liaison between anti-Castro organizations and the North network. He found Carr in the hotel bar with two other mercenaries, Robert Thompson, a 52-year-old Florida highway patrolman, and Sam Hall, the brother of U.S. Congressman Tony Hall. Inside the dimly lit room, Carr told Garcia of a Machiavellian plot of stunning audacity.

Carr showed Garcia a floor plan of the U.S. Embassy in San Jose, Costa Rica. "He said the plan was to hit the U.S. Embassy in Costa Rica, kill Ambassador Lewis Tambs, and blame it on the Sandinistas," said Garcia. "The U.S. government would be mad as hell and invade Nicaragua."

The mercenaries planned to plant a bomb in an electrical box on a light pole near the embassy compound. The explosion would kill a number of U.S. citizens as well as Tambs. If Tambs survived the blast, gunmen stationed outside the embassy exit would cut him down in a crossfire during the ensuing chaos. A Nicaraguan member of the hit team would also be killed, and in his pocket the mercenaries would place papers identifying him as a Sandinista officer, thus implicating the Nicaraguan government in the act.

Garcia was stunned.

"I couldn't believe that Carr was talking about this in front of the barmaids. He was like an excited little kid. He didn't know what he was getting himself into with this group. Hey, I love this country, but I'm not going to kill an American."

"What about the women and children who would be killed in the blast?" Garcia asked Carr.

" 'Hey, Jesus, this is war. This is war.' That's what he said."

And Steven Carr was determined to be part of the war—at its center.

In early March, the Miami network pooled its resources collecting money and guns for a major arms shipment. The weapons were stored in a home used by suspected drug dealer Francisco Chanes in a residential neighborhood in south Miami. According to court documents, Chanes was the owner of two Miami-based seafood importing companies, through which he smuggled thousands of pounds of cocaine into the United States. Carr, Thompson, Garcia, and other mercenaries, arrived in the early morning to load the weapons to be taken to the Fort Lauderdale International Airport. Stashed in a bedroom were automatic rifles, M-16s, two 60mm mortars, a machine gun, and a 14-foot-long 20mm cannon.

As the others talked, Carr snooped around the house. In one of the bedrooms he opened a dresser drawer and found three kilos of cocaine.

"Hey, Jesus, look at this," Carr said, holding up the cocaine.

"I told Carr to close the drawer," said Garcia. "He was getting close to some dirty business."

In a closed garage, the men loaded the weapons into a van. Anxious to be at the forefront of the operation, Carr insisted on driving the van to the airport.

On March 6, a chartered plane took off with its cache of weapons. Hours later it landed at the Ilopango air force base in El Salvador. The plane was met by a Salvadoran Army colonel, whose men unloaded the arms and placed them on trucks in the presence of "Seven American Air Force personnel,"

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Carr would later reveal. "They didn't say a word. Like it happened every day."

After a week's holdover in El Salvador, Carr and the other mercenaries boarded a commercial flight to Santa Maria Airport outside of San José, Costa Rica. Carr saw the misty green, low-lying mountains that surround the huge central valley in which San José is nestled. Charged with nervous excitement, Carr set off from the airport to the contra war zone.

On the three-hour drive north to Ciudad Quesada, through the rolling hills of coffee trees, sugar cane, and cadres of fieldworkers, sickles belted to their sides, Steve Carr was thinking about becoming a hero—and John Hull would be his ticket to the front lines.

Hull was an imposing 6'3", with dark, leathery skin and hard brown eyes. In the late '60s, Hull and his father had left Indiana for Costa Rica in search of fertile farm land. Hull amassed major holdings in northern Costa Rica, and his economic clout in the region had become legendary.

Hull owned a 2500-acre cattle ranch, a citrus farm, and timber operations that bordered the tiny hamlet of Muelle. Through his company he managed more than 25,000 acres of farmland for absentee American landowners, mostly in the northern part of the country near Nicaragua.

He also controlled the nearby town of Muelle, according to Canadian journalist Hugh Graham, who visited Hull in 1984 and told us that the town is "like a feudal village." To prevent easy access to Hull's land, the private road into the estate took a circuitous five-mile route, crossing a river and looping back around several times as it led to the main ranch. It was lined by miniature palm trees and a handful of shacks that housed Hull's laborers and cowboys.

The road ended at Hull's hacienda, with large open verandas, arches, and wrought-iron railings. It was guarded by armed men and "a gardener who carried an Uzi." Graham has a distinct memory of the first night he spent on the ranch. "As soon as it got dark, they took their guns from behind this trashy little mobile cocktail bar and someone said, 'Welcome to contra country.' "

Hull's massive farm combine along the Nicaraguan border was the perfect military base. Many of the farms had their own airstrips and were connected by radio communications equipment. Military training camps and clandestine hospitals had been set up on the farms. Weapons and military supplies were routinely flown in from Miami and Ilopango. Hull had once boasted to mercenary Jack Terrell that "Nothing moves along the border without my knowledge."

Hull, who has been described as the commander of the Costa Rican branch of the FDN, was reportedly expanding the contra army in Costa Rica. Carr, Thompson, and three other mercenaries—Peter Glibbery, who had just finished a two-year stint fighting with the South African army; John Davis; and Frenchman Claude Chiffard—were brought in to train the small army of about 50 contras with the weapons from the March 6 shipment.

Confident he could trust his team of mercenaries, Hull talked about his connections to powerful people in the U.S. government. "He told me that he was getting at least $10,000 a month from a friend of his on the National Security Council," said Carr. "He said the money was deposited in his bank in Miami and transferred to Costa Rica. He said, 'And God help me if the IRS finds this money because I will not be able to explain it.' "

Hull's ranch was a depot at the end of the line for weapons shipped through the "North network." From Washington, Oliver North was able to monitor the delivery of weapons through his personal liaison to the contras, Robert Owen. On Hull's ranch, according to court papers, Owen would take orders for weapons and pass on political advice from Washington. The Tower Commission report describes several meetings among North, Owen, and Hull and reveals a letter written by North's secretary Fawn Hall, at the bottom of which North had sketched a diagram linking him to Owen. Under Owen's name was written the word "weapons." In late March, Owen arrived at Hull's ranch at the same time as a portion of the weapons from the March 6 shipment.

During the period when Hull was meeting with Owen and North to facilitate arms shipments, he was also involved in a lucrative business deal with the cocaine trafficker George Morales. According to a source involved in the congressional investigation into contra drug smuggling, not only did Hull allow Morales to use his private airstrips to ship large quantities of cocaine, but on numerous occasions Hull stored the drugs on land he controlled, for which he was paid handsomely.

Carr told Jack Terrell that he was put in charge of guarding 13 to 16 kilos of cocaine packed into a box sitting on Hull's airfield, waiting to be loaded into a plane and flown to the United States. "At first, Carr didn't know what was in the box," said Terrell, "but knowing Steve, he looked in the box and saw the cocaine."

In the jungle camps, Carr and the mercenaries began teaching the contras how to use automatic weapons and mortars. "We are trying to organize the fighters and will soon visit our commie friends with a hell of a lot of good will," Carr wrote his mother. The brutal guerrilla war was claiming the lives of thousands of innocent civilians. Then something happened that ended Carr's hypnotic fascination with the war.

In March, 1985, according to Carr and Glibbery, Hull laid out a plan for the mercenaries to kill several Sandinista soldiers in Nicaragua and bring their bodies to the Costa Rican border town of Los Chiles. Then, said Carr, "Hull told us to use the cannon to lob some mortars into Los Chiles and leave some dead Sandinistas around "as evidence of a Nicaraguan invasion. "Hull said it word for word, right to my face. This is the kind of stuff he wanted." Something had changed in Carr. Though still eager to fight, he wasn't anxious to participate in terrorism.

Owen ordered Hull to hold off from any military operations while a debate raged in Congress over sending $14 million in "humanitarian" aid to the contras. The deaths of any more civilians at the hands of the contras would impede passage of the bill. Hull ordered the mercenaries to stay put, but restless after weeks of training and waiting, Carr ignored him, seeing what he hoped was the opportunity he had been waiting for— a chance to go into battle.

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In mid-April, Carr, a Cuban-American mercenary, and 17 contras set out for an ambush in La Esperanza, a Sandinista Army outpost about four miles inside Nicaragua. A cattle truck dropped Carr's unit near the Nicaraguan border, and a scout from the Costa Rican Rural Guard guided them to the crossing point. With Carr leading the way, they reached the rugged terrain just outside the military post at La Esperanza, set up their mortars, and waited until dusk.

When the Sandinistas sat down to dinner, the contra brigade opened fire on the surprised soldiers, who regrouped and returned fire. Carr and his troops retreated to the forest and ran for their lives toward the Costa Rican border.

Early reports received by Hull said that Carr had been killed in the attack. Anger welled up in him as he pondered the possible consequences in Washington. Carr, however, was alive and thrilled by his first taste of battle.

But the timing of the raid was disastrous. Within days, Nicaraguan Foreign Minister Miguel D'Escoto denounced Costa Rican President Luis Monge, calling for the arrest of those involved in border provocations. Worse, the contra aid bill was defeated in Congress.

Early on the morning of April 24, 16 Rural Guard officers arrested Carr and the others who had participated in the raid on La Esperanza.

As the mercenaries passed through the rickety metal gate of La Reforma prison, they were confident it had all been a mistake. Before their arrival, Carr had reached Hull by phone, and had been told they would be taken care of. The mercenaries were charged with violating Costa Rica's neutrality and possessing explosives. Three weeks later, they began to doubt Hull's promise.

"He first showed up on visiting day on Sunday three weeks after we were picked up," recalled Glibbery. "He assured me he would be getting us out in two weeks. After two months, we called him again and told him 'You've been two-weeking us for the last ten weeks. Get us out of here or we are going to the press.' He said, 'No, no, don't do that. If you go to the press, you'll harm your chances in court and you'll stay in jail for lots of years.' " After several more weeks, Carr said, "We decided to talk to help ourselves."

From the moment they heard of Carr's arrest, reporters Martha Honey and Tony Avirgan tried unsuccessfully to get him to talk. Now Carr was ready to talk. Avirgan had spent a painful two months in the hospital recovering from the injuries he suffered in the La Penca bombing. After his release, he joined Honey in what became an exhaustive investigation into who was responsible. They were misled by Costa Rican officials and got no cooperation from the U.S. Embassy. By June of 1985, they suspected the bombing was the work of a "dirty tricks" team from the FDN, linked to John Hull.

From Carr and Glibbery they learned that Hull claimed to be working for both the CIA and the National Security Council. Were these agencies involved at La Penca?

In late spring of 1985, Avirgan and Honey got another big break when Hull's personal assistant and driver, a Nicaraguan contra named David, backed out of the "dirty tricks" team and decided to talk to Honey and Avirgan. Through a trusted intermediary, Carlos Rejas, David spun a grim tale of a terrorist team, based on a farm managed by Hull, that had planned the bombing in meetings in Miami and Honduras. Present at these meetings were Hull, FDN leader Adolfo Calero, "two Miami-based Cubans, Felipe Vidal and Rene Corbo . . . and a Robinson Harley, a North American who was identified by the group as being from the CIA . . . $50,000 was passed from the CIA through the FDN for expenses in the bombing operation." David and other sources involved in the planning of the La Penca bombing told Avirgan that killing journalists and then blaming it on the Sandinistas was part of the plan. The "dirty tricks" team, David told the reporters, was now plotting to bomb the U.S. Embassy in San José. On the morning of May 26, Avirgan and Honey's story in the *Sunday Times* of London exposed the embassy plot.

Two months after the story broke, David and Rejas were kidnapped at gunpoint as they stood in front of a bar in San José. Called "traitors" by their abductors, they were driven to a contra camp near Hull's ranch house. Both managed to escape, but according to a Costa Rican government informant planted among the contras, David was recaptured, tortured, and killed.

When word spread that he was talking to reporters, prison life for Carr grew tougher. He wrote his mother that the U.S. embassy had begun "to spread the word to everyone that I am lying about all my charges against the U.S. and Costa Rica." Carr said that, perhaps as punishment, the embassy was helping to make life miserable. "I have no way to get food or soap or toilet paper or anything. The embassy just doesn't care. It's very hard to post mail. I either have to smuggle it out or go through the system here. And I don't think they have posted at least 20 of my letters."

"He was up one day, and down the next," said a friend of Carr's in prison, "a manic-depressive." Some days he would ask to be locked in solitary confinement because he didn't trust "Hispanics" and was tired of being surrounded by a language he didn't understand.

Carr began receiving death threats, passed to him by prison guards and other inmates. In a letter to his mother, he wrote, "Just found out today I'm supposed to be shot. A guy by the name of Morgan Felipe [Felipe Vidal] who worked for the FDN and John Hull has been given orders to shoot me and Pete because we spoke out against John Hull. . . . Get me some protection." Vidal, a 35-year-old Cuban-American, who worked for Hull as a military advisor, was a veteran of the terrorist underground. His father had been assassinated in Cuba for participating in the Bay of Pigs, and according to one mercenary, Vidal had been "on a revenge gig ever since."

Meanwhile, Hull's preoccupation with the testimony by Carr and others was growing. Honey and Avirgan published the results of their investigation in Costa Rica titled *La Penca: Pastora, the Press, and the CIA.*

Hull sued for libel. But Carr agreed to testify for the reporters.

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News of David's death reached Carr, deepening his fears, and increasing the importance of his interview with Miami Public Defender John Mattes. Mattes had come a long way to interview him and had brought with him an aide to Massachusetts Senator John Kerry.

Mattes had heard about Carr from Jesus Garcia, who he unsuccessfully defended against dubious gun charges. Garcia told Mattes of the U.S. government's involvement in illegal weapons and drug trafficking. Believing that Garcia's case was more than a simple weapon's issue, and realizing the politically explosive nature of these allegations, he would not let the case die. There were mercenaries in prison in Costa Rica who could verify his story, Garcia had told Mattes. And Mattes was determined to get to them.

Over the Christmas holiday, Mattes's sister, a campaign worker for Senator Kerry, put him in touch with Kerry's staff, which was looking into reports of CIA activity in Honduras. Mattes sent Kerry documents about the mercenaries in Costa Rica and their links to the White House. "These were Kerry's first witnesses who could say, 'I had weapons, I moved weapons, and I helped ship them into Central America.' " The **Senator decided to launch an investigation. On March 9, 1986, Mattes and a Kerry aide arrived in Costa Rica.**

They found a frightened Carr, reluctant to speak after David's death. But after they chatted a while, Carr, relieved to find a senator's aide taking him seriously, corroborated Garcia's claims about the March 6 weapons shipment, and described the activities of Robert Owen and John Hull. Carr's having seen a large quantity of cocaine as he and other mercenaries were loading the weapons in Miami provided evidence that arms shipments were linked to cocaine traffickers. Kerry's aide copied it all down and promised an investigation.

Back in Miami, Mattes immediately contacted the FBI: "I literally left the airport, picked up my car, and went to see Kevin Currier at the FBI." But Mattes was in for a surprise. "There I am, saying, 'Kevin, I've got some really important stuff to talk to you about.' And he's saying, 'You've got to wait, I've got to finish this report on you. Washington wants it, I've got to telex it to Washington.' "

Mattes was shocked to find out that the FBI was investigating him. Currier refused to tell Mattes why, and the two argued over the FBI's refusal to take seriously Mattes's evidence from Costa Rica. "I told 'em, 'Look you guys, you got to do your job. This is not just a bunch of cowboys shooting up the jungle! This is people talking about $10,000 a month from the NSC, tons of weapons being shipped to the contras, and people flying in and out of Washington on a monthly basis.' "

Two days later, Mattes and his investigator, Ralph Maestri, were called to a meeting with Currier and Assistant U.S. Attorney Jeff Feldman, who had prosecuted Garcia. Feldman grilled them about their sources in the media, which mercenaries they had talked to, and then told them to "get out" and "stay out" of the investigation. He told them they would **"see the inside of a grand jury room" for obstructing justice and tampering with witnesses if they refused to curtail their investigation, said Mattes. "He told us that we had done enough and that it was time to stop."**

According to Mattes, Feldman was taking orders from a higher-up. "He told me on two occasions, 'The Justice Department is just not interested in the March 6 weapons shipment.' "

Meanwhile, in Washington, Kerry's requests for power from the Senate Foreign Relations Committee to launch an investigation and protect his witnesses, including Steven Carr, were turned down by the committee. Justice Department, CIA, and State Department officials called his witnesses "liars" and according to Jonathan Winer, a Kerry aide, said they "couldn't be trusted because they were in jail."

But two weeks later, Feldman and Currier flew down to Costa Rica to interview Carr. According to Carr, Feldman badgered him into waiving his rights. "Feldman said 'Here, sign this.' And I said, 'What is it?' He said, 'This acknowledges that you were read your rights and that you don't want an attorney present.' I said, 'Well, yeah, I *do* want an attorney.' He said, 'I didn't come 2,000 miles and waste all this money and time to have you tell me *this*. If you don't talk right now, we'll have you in federal prison, and you'll face up to 20 years.' I told him everything. And finally he asked a whole lot about John Hull.' He said, 'Have you ever been in John Hull's house?' I said, 'Yeah,' and drew him a floor plan of the house. I was a carpenter. I can draw floor plans. And he was upset about that."

After Carr's brutal year in prison (without a trial), money his family had sent for bail through the American Embassy finally reached him. As he prepared to leave La Reforma on Thursday, May 15, 1986, Carr was being pulled in two directions: facing a subpoena to testify at the Hull libel trial, and a request that he appear at the U.S. Embassy from Consul General Kirk Kotula. Fearful of leaving the prison alone, Carr arranged for Honey to pick him up. But as he emerged from the prison carrying his only possession, a small television set, he found there had been a mix-up and Honey was nowhere to be found. He searched the street frantically, but saw no sign of her, and then began walking quickly while trying to hail a cab.

Carr bartered the TV for a cab ride to the U.S. Embassy in San José. There, he had a tense meeting with embassy officials John Jones and Jim Nagel. According to Carr, they said he didn't have to honor the subpeona to testify in the Hull libel trial and encouraged him to co-operate with Hull. Jones even phoned Hull from the office, but Carr refused to speak with his former commander. "There was no way I was going near John Hull." The embassy officials concluded that Carr had better leave town. Confused, Carr said he needed time to think.

Carr spent Saturday and Sunday at Honey and Avirgan's house on the ourskirts of San José, and spent the night with a new girlfriend.

The trial was scheduled to start on Thursday, May 22, at an old colonial courthouse in San José. On Monday morning Carr went to the embassy. "Before the talk about me getting out of Costa Rica was hypothetical," said Carr. Now the embassy increased the pressure. Jones gave him a U.S. embassy identification form to replace his passport confiscated after he was arrested, and told him to take a bus to the border and cross over into Panama.

"Go to the embassy in Panama," Carr said Jones told him. "Everybody's alerted in the whole area. You'll be put on an airplane as soon as you get to

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Panama." At 8:30 Carr went back to Avirgan and Honey's home, picked up some things, wrote a note saying he was going to visit a girlfriend, and left.

At 7:30 Tuesday morning, Carr was on a bus heading to the border.

"When I reached Pasa Canales on the Panamanian border, I called the embassy from a restaurant. I made about 15 calls to them, trying to figure out what the hell is going on. And I said, 'Look, this isn't like you said it was. Yeah, you cross the street and you're in Panama, but they got big immigration buildings right there.' "

Carr finally crossed into Panama, but ten miles down the road, he arrived at another border check.

"I show 'em my Merchant Marine card. No good. They bring me back to the border and they are going to throw me in jail. So I told the police, 'Look, here,' and I wrote CIA on the back of a piece of paper. 'Do you know what that means?' I said. And someone said, 'Yeah, yeah.' And we went up to his office."

Carr got himself out of the jam by giving the official Jones's name and number. Jones had created a cover story for Carr if he needed it. Carr had gotten off a ship, was ripped off, and now needed to get into Panama to catch another ship. It was almost good enough for the Panamanians. They also wanted a bribe of $300, and Carr, with $40 in his pocket, was stuck again. "I ran back to the same restaurant in Costa Rica and called up the embassy in a panic."

Carr spent Tuesday night in the hotel above the restaurant. Later, while he was in the restaurant, Jones called and said, " 'Get the hell out of Costa Rica. Martha Honey is raising hell. The balloon went up. Everybody's worried. Where are you physically? Are you on Costa Rican soil?' When I said, 'Yeah,' he said, 'Get the hell over to Panama. Stand over there 'cause they're gonna eventually let you in, as soon as the embassy of the United States gets ahold of the immigration chief.'

"All day Wednesday, I tried reaching the embassy in Panama." Finally, everyone decided that Carr should turn himself in to the Panamanian officials. With that, Carr had made it across the border to Panama.

Carr spent Thursday in Panama City in jail. That same morning, in a courtroom in San José, Carr was called to testify in the Hull case. Defense attorney Oto Castro rose from his seat and carried Carr's bags to the bench and placed them before the judge. "We are unable to produce him," said Castro, "but we can produce his clothing."

"The clerk of the court," said Avirgan, "stood up and said she had been assured by both the U.S. embassy and people at Hull's farm that Carr was okay, and that he would come to no harm and appear at the trial." Hull's attorney presented a notarized, sworn statement by Carr rescinding everything he had said about Hull. The judge rejected it. "I want the person," said the judge, "not a piece of paper."

On Friday, the judge ruled Hull's charges of libel were without merit.

Carr was unaware of the verdict as he boarded Bolivian Air Flight 7 for Miami at 1 A.M. on Saturday, May 24. As he entered the terminal at Miami International, he looked around nervously. While in prison he had been told that Felipe Vidal would be waiting for him at the airport. Carr was also expecting to be arrested by the FBI for having violated his parole by going to Costa Rica. Now, as he made his way to customs, Carr decided that the only way to get out of the airport alive was to turn himself in to the authorities.

After imprisonment at La Reforma and a frantic flight across Costa Rica, the air-conditioned Collier County jail in Naples, Florida, just a few miles from his home, seemed a safehouse to Carr. He had won his bet with Mattes, who had promised to buy him a six-pack if he ever got out of Costa Rica alive. Given a choice by the prosecutor, he decided to serve a six-month jail sentence rather than live under the constricting terms of his probation for several more years. Television appearances and the anticipation of testifying before Congress kept his spirits high. Indeed, he had achieved a new status, a bit of fame.

Just after midnight on November 16, Carr was released from prison.

Hurriedly, as if time were running out, Carr stuffed coins in the pay phone at Miami airport and called Mattes. Perspiration broke out on his forehead. "I'm going to L.A. to hide under a rock and lay low," he told Mattes. There were at least two good reasons for him to leave town as quickly as possible. He believed he was still being sought by the local drug dealer he had ripped off. The second reason was Vidal.

Carr's fears were not unfounded. In October, the downing of the C-123 cargo plane carrying Eugene Hasenfus suddenly cast a spotlight on covert arms operations and made almost a certainty governmental investigations into violations of the Boland Amendment and the Neutrality Act, which bars U.S. citizens from taking up arms against a country with which the U.S. is at peace. Carr was also expected to testify in a racketeering case brought by Honey and Avirgan against Owen, Hull, Jones, and 26 others for their alleged involvement in the La Penca bombing and was likely to be a witness before a Miami grand jury that would hear testimony about the March 6 weapons shipment.

Carr hung up with Mattes and by 4:30 A.M., he was on a flight to Los Angeles. From the L.A. airport, he headed north through dense traffic into the San Fernando Valley to Van Nuys, a suburb crowded with condominiums. Carr rented a modest room on Cerdros Drive in a neighborhood that was worlds away from Costa Rica.

The house belonged to Jacqueline Scott, a close friend of his 37-year-old sister, Linda Nichols, who lived nearby. Carr found work as a carpenter, but any hope of a normal life was shattered as the investigations in Washington and Miami gained momentum. But Kerry's attempts to hold hearings were being thwarted by the Republican-dominated Foreign Relations Committee, so he couldn't provide Carr protection. So in L.A., Steven Carr hid in his new home, rarely went out, and kept the doors locked and the lights on at all times.

At 10 P.M. on Friday, December 12, Carr returned home in good spirits, having spent the evening in a San Diego bar with Scott's son Ricky Perry. He talked

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with Scott's daughter, Jackie Perry, for about 45 minutes, and then got her a blanket because she was cold. Then he said goodnight, and went upstairs to his bedroom.

At about 3:30 A.M., Jackie was awakened by loud noises and the sounds of banging against the downstairs wall. She found Steven staggering around. He asked her to help him open the door, but instead she went upstairs to wake her mother.

When they returned, they found him outside, sprawled on the driveway, writhing and gasping for air. They attempted to lift Carr and drag him into the house, but his legs locked in a sitting position. Perry called for an ambulance.

"I paranoided out, I ate the whole thing," Scott told police Carr said. Soon after the ambulance arrived, Carr began losing consciousness. The 27-year-old adventurer was dead before they could put him in the ambulance.

The L.A. police who were called to the scene had no idea Carr was a witness in a federal suit. Assuming the cause of his death to be a routine cocaine overdose, or perhaps a suicide, they left the Scott home without searching for clues.

Ed Carr heard about Steven's death from his sister Linda a few hours later. She said that Scott's daughter had seen him swallow three small plastic bags of cocaine. But on Sunday, the autopsy results from the L.A. coroner's office disproved that. No traces of cocaine could be found in Carr's throat and no plastic was found in his stomach.

Meanwhile, Dan Sheehan, an attorney handling the Honey-Avirgan suit, was alarmed. He had contacted the FBI on Saturday to inform them that the dead man was an important federal witness whose death should be investigated for possible homicide. But the FBI still insisted that the dead man was not a witness.

On Wednesday, Sheehan discovered that Ronald Kornblum, the L.A. coroner, had not been notified by the LAPD or FBI that Carr was a federal witness who had received death threats.

"Kornblum got all panicky since the body had already been released." The coroner had heard rumors of Carr's case, but since he received no official word, he had sent the body on to Naples for burial.

Carr's funeral was set for Thursday. On Wednesday, Kornblum called the Naples coroner and requested a further examination. The second autopsy revealed three needle-sized puncture wounds adjacent to Carr's left elbow, an area without veins.

The marks remain a mystery. Police suggest that they could be cocaine injection sites, but tests were inconclusive. Medical experts and former addicts agree that it's illogical for an experienced cocaine user such as Carr to have mainlined the drug in the tissue near his elbow. "For one, you lose the effect of the drug by injecting it into your tissue. Secondly, it's very painful."

In January, the L.A. coroner's office released a six-page autopsy report which attributed the cause of death to an accidental cocaine overdose. Carr had three times the lethal dose of cocaine in his system when he died. The report refers to the wounds only as "pinpoint marks in surface of skin accompained by extensive subcutaneous hemorrhage."

The LAPD suggests this is what happened: around December 6, Carr and Ricky Perry together bought an ounce of cocaine. Then, say police, Perry gave Carr the entire ounce to hold onto while he left town. Carr began using the stuff immediately, which culminated in a 56-hour binge before his death.

"It's a run-of-the-mill cocaine overdose," said LAPD Detective Mel Arnold. "It happens all the time. All that stuff about him being threatened by the CIA and the contras is all bullshit."

Ed Carr is not convinced. He began to doubt the police version when he realized the story about swallowing the bags of cocaine was false. He is convinced that someone injected cocaine or poison into his brother.

"Either the CIA drove him to suicide or they murdered him," Ed says. "Either way they killed him, whether it was psychologically or physically, they are the ones who killed him."

Valley kids die all the time from overdosing, says Mel Arnold, and he's right. But he refuses to see that Steven Carr's death was part of a conspiracy.

John Hull's driver, David, who began talking to reporters, disappeared and may have been murdered . . . Jesus Garcia was apparently set up and arrested . . . A 105mm bomb was placed in front of Garcia's wife's home and, say demolition experts, "would have taken out the entire block had it gone off. . . " Peter Glibbery was convicted and has spent two years in La Reforma. He was told by the British embassy not to say "another word to the press," and refused to be interviewed for this article . . . Steven Carr is dead, and police can't explain the mysterious puncture wounds on his arm.

Jack Terrell understands the nature of the situation in which Steven Carr found himself. "The closer you get to the nucleus of the power structure," he said, "the more you will see bodies washing up on shore. I know about five people like Steve Carr who I wouldn't want to be in this life, because if they are liabilities and they show up dead, it's not going to hurt anybody's feelings. They just end up a one-inch obituary in a distant memory."

Special research and editorial assistance by Connie Blitt, Robert Knight, and Julia Rosenbaum.